

WAPA and MARKETS

Volume 3, Issue 5
October 2022

Welcome to the October issue of the *WAPA and markets* newsletter. Included below are the major updates for the many market initiatives in which WAPA is participating, including a Desert Southwest customer meeting, the release of the 2022 Brattle study results for the expanded Southwest Power Pool Regional Transmission Organization and a new production cost study commissioned by the Western Markets Exploratory Group.



Entering into a market requires careful consideration of our statutory responsibilities as well as multiple perspectives and potential outcomes. WAPA is committed to ensuring we

are making the appropriate decisions for our mission and customers based on regional circumstances, unique legal relationships and needs.

SPP RTO-WEST 2022 BRATTLE STUDY RESULTS RELEASED

On Sept. 21, the [2022 Brattle study results were released](#), providing potential market benefits if the SPP RTO were to expand into the Western Interconnection. The study estimates adjusted production cost savings of \$71 million per year under average hydrology conditions. The savings increase to \$89 million per year under severe drought conditions.

Prospective SPP RTO participants included in the study were Basin Electric Power Cooperative, Colorado Springs Utilities, Deseret Power Electric Cooperative, Tri-State Generation and Transmission Association and the Municipal Energy Agency of Nebraska along with the WAPA Upper Great Plains region,

Rocky Mountain region and Colorado River Storage Project.

WAPA staff are currently evaluating the study results and discussing them with customers, stakeholders and others. If the results, as well as other factors, support moving forward with a recommendation to pursue final negotiations to expand our participation in the SPP RTO, WAPA will initiate a public process in the *Federal Register*.

Stay apprised on the latest news regarding this effort at the [SPP RTO membership effort webpage](#) located on [The Source](#).



DSW HOLDS EIM IMPLEMENTATION CUSTOMER MEETING SEPT. 21

DSW held a customer meeting on the transition into the California Independent System Operator Western Energy Imbalance Market Sept. 21. At this meeting, employees provided updates on the multiple implementation tracks defined by CAISO, reviewed the updated Business Practice Manual, explained the changes between current-day and EIM operations and covered generation settlement plans among other topics. The meeting materials are available at the [DSW energy imbalance market activities webpage](#).

The final redline draft of the Open Access Transmission Tariff Attachment T is available on the [Open Access Same-Time Information System](#). Also available are comments collected during the informal comment period and responses to those comments. The next step is to file the revised tariff at the Federal Energy Regulatory Commission around Nov. 3.

More information on DSW's effort is available on the [DSW energy imbalance market activities webpage](#).



WMEG INITIATES PRODUCTION COST BENEFITS STUDY

The Western Markets Exploratory Group and Utilicast have contracted with E3 to perform a production cost benefit study that evaluates day-ahead markets services. The 25 WMEG members, including WAPA, anticipate the study will assist participants in future market design and formation decisions.

Previously, the WMEG hoped to have work products completed by the end of 2022. As the group expanded this year, those timelines have been extended to the first quarter of 2023.

WAPA continues to meet with other participants to discuss the parameters of the production cost benefit study for its regions and management center.



WAPA CONTINUES PARTICIPATING IN DAY-AHEAD MARKET PROPOSALS

WAPA continues to participate in the stakeholder collaboration efforts for the CAISO and SPP day-ahead market proposals.

WAPA provided SPP with comments on the Markets+ market design and transmission availability proposal Sept. 15 and submitted comments on CAISO's revised Extended Day-Ahead Market proposal Sept. 26.

SPP released their revised draft service offering proposal

Sept. 30 and will hold an in-person meeting to discuss the updated Markets+ proposal Nov. 5-6 in Westminster, Colorado. CAISO is scheduled to release its final draft EDAM proposal Oct. 28, and SPP is scheduled to release its final draft Markets+ proposal Nov. 18.

For more information on both day-ahead market designs, visit the [SPP Markets+](#) and the [CAISO EDAM](#) webpages.



Thank you for reading the *WAPA and Markets* newsletter. For more information, call your regional representative or visit the [WAPA and markets](#) webpage on The Source.

